



April 25, 2022

VIA EMAIL (HouseCorporations@rilegislature.gov)

Representative Joseph J. Solomon
Chair, House Committee on Corporations
Rhode Island State House
Providence, RI 02903
rep-solomon@rilegislature.gov

Re: Support for HB 8090; An Act Related to Public Utilities and Carriers – Net Metering

Dear Representative Solomon:

I write to you in your capacity as the Chair of the House Corporations Committee and with regards to HB 8090, a bill pending before your Committee which would add private commercial entities to the list of entities whose electricity accounts are eligible for the State's virtual net-metering program. I write in my capacity as Senior Legal Counsel for Revity Energy LLC and its affiliates ("Revity") and to express **Revity's ardent support for HB 8090**. Revity is a Rhode Island-based utility-scale solar developer which has successfully developed over 90 megawatts of operating solar capacity in Rhode Island and Massachusetts. According to the Solar Energy Industry Association ("SEIA"), solar energy generation is a \$32.9 billion industry in the United States employing 231,474 individuals across the country (and over 1,000 in Rhode Island) and the price of solar energy generation in Rhode Island has decreased by 36% over the last five years.¹ SEIA estimates that another 443.56 megawatts of solar capacity will be installed in Rhode Island over the next five years.

Nevertheless, it remains the fact that renewable energy is in company with tobacco, marijuana, firearms, and alcohol as industries for which Rhode Island state law expressly limit the customers to whom a private business can sell its product. R.I. Gen. Laws § 39-26.4-2(5) only permits the electricity accounts of public entities, educational institutions, hospitals, nonprofits, and multi-municipal collaboratives to be eligible for virtual net-metering within an otherwise eligible renewable energy system site. HB 8090 is a simple bill which adds "private entities" to this group and defines "private entities" as "all entities, not to include a 'resident account,' 'low- or moderate-income housing credit recipient,' 'educational institutions,' 'hospital,' 'nonprofit,' and 'public entity', which entities are charged by the distribution company at the C-06 small

¹ Founded in 1974, SEIA is the national trade association for the solar and solar+ storage industries and works with its 1,000 member companies across the country to research and advance solar development nationally.

commercial and industrial rate, the G-02 general commercial and industrial rate, the G-32 large demand rate or the G-62 optional large demand rate.” Over the past decade, Revity has entered into power purchase agreements, net-metering financing agreements and other offtaker agreements with municipalities, universities, hospitals and non-profits and have saved those entities between 10%-25% on their electricity bills. HB 8090 seeks to achieve the same results for Rhode Island’s business community.

Both residential and commercial customers have the ability in this State to build solar facilities on their property; however, that option is obviously limited by the availability of real estate and the financial resources to construct those facilities. Residential customers have had the alternative option to participate in the State’s community net-metering program to take advantage of remote solar projects without burdening the customers’ real estate and finances. Commercial customers do not have that alternative option. HB 8090 will open an alternative avenue to commercial customers to access renewable energy resources without having to burden their real estate and finances for a major on-site infrastructure project. Recently, Revity has engaged in negotiations with entities which are concerned about whether they qualify under the current (narrow) definition of eligible offtakers for renewable energy. Like so many of the bottlenecks in renewable energy development, eligibility is controlled by National Grid and the Rhode Island Public Utilities Commission. HB 8090 eliminates any doubt. This bill will not result in wild proliferation of solar facilities across the state—other bottlenecks (such as site control, interconnection and permitting) already impose significant limits on the viability of projects. There is no need to limit customers to ensure responsible development. Indeed, Massachusetts has permitted commercial participation in virtual net-metering for years. HB 8090 would merely allow our State’s business community to benefit from the projects that are already being developed.

As this Committee is well-aware, the State’s business community currently faces a number of economic challenges that impede growth (challenges that this Committee has worked hard to mitigate). Allowing businesses to reduce their electricity costs by 10%-25% is an important step to assist that growth. By way of example, a small/medium manufacturing facility using 2,000,000 kilowatt hours of electricity per year, could save, through a 25-year power purchase agreement, \$2,299,932 over the life of the contract. The State has laudably taken the critical step of strongly supporting development of renewable energy to reduce the State’s dependence on environmentally harmful, out-of-state, energy generation. An auxiliary benefit of that work can (and should) be a reduction of the electricity costs for our State’s business community. **For these reasons, Revity strongly supports passage of HB 8090.**

Regards.



Nicholas L. Nybo
Senior Legal Counsel
REVITY ENERGY LLC AND AFFILIATES

Copy:

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